# BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Energy conservation cost recovery clause.

DOCKET NO. 20200002-EG ORDER NO. PSC-2020-0447-FOF-EG ISSUED: November 19, 2020

The following Commissioners participated in the disposition of this matter:

# GARY F. CLARK, Chairman ART GRAHAM JULIE I. BROWN DONALD J. POLMANN ANDREW GILES FAY

# FINAL ORDER APPROVING ENERGY CONSERVATION COST RECOVERY AMOUNTS AND RELATED TARIFFS AND ESTABLISHING ENERGY CONSERVATION COST RECOVERY FACTORS FOR THE PERIOD JANUARY 2021 THROUGH DECEMBER 2021

**APPEARANCES:** 

MARIA JOSE MONCADA, WADE LITCHFIELD, and JOEL BAKER, ESQUIRES, 700 Universe Boulevard, Juno Beach, Florida 33408 On behalf of FLORIDA POWER & LIGHT COMPANY (FPL).

RUSSELL A. BADDERS, ESQUIRE, One Energy Place, Pensacola, Florida 32520-0100, and STEVEN R. GRIFFIN, ESQUIRE, P.O. Box 12950, Pensacola, Florida 32591-2950 On behalf of GULF POWER COMPANY (GULF).

DIANNE M. TRIPLETT, ESQUIRE, 299 First Avenue North, St. Petersburg, Florida 33701, and MATTHEW R. BERNIER, ESQUIRE, 106 East College Avenue, Suite 800, Tallahassee, Florida 32301 On behalf of DUKE ENERGY FLORIDA, LLC (DEF).

BETH KEATING, ESQUIRE, 215 South Monroe St., Suite 601, Tallahassee, Florida 32301 On behalf of FLORIDA PUBLIC UTILITIES COMPANY (FPUC).

JAMES D. BEASLEY, J. JEFFRY WAHLEN, and MALCOLM N. MEANS, ESQUIRES, Post Office Box 391, Tallahassee, Florida 32302 On behalf of TAMPA ELECTRIC COMPANY (TECO).

> PATRICIA A. CHRISTENSEN, CHARLES REHWINKEL, A. MIREILLE FALL-FRY, and THOMAS A. (TAD) DAVID, ESQUIRES, 111 West Madison Street, Room 812, Tallahassee, Florida 32399-1400 On behalf of OFFICE OF PUBLIC COUNSEL (OPC).

> JAMES W. BREW, and LAURA WYNN BAKER, ESQUIRES, 1025 Thomas Jefferson Street, NW, Eighth Floor, West Tower, Washington, D.C. 20007 On behalf of White Springs Agricultural Chemicals, Inc. d/b/a PCS Phosphate – White Springs (PCS).

> JON C. MOYLE, JR., and, KAREN PUTNAL, ESQUIRES, 118 North Gadsden Street, Tallahassee, Florida 32312 On behalf of FLORIDA INDUSTRIAL POWER USERS GROUP (FIPUG).

> ASHLEY J. WEISENFELD, ESQUIRE, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850 On behalf of the Florida Public Service Commission (Staff).

> MARY ANNE HELTON, ESQUIRE, Deputy General Counsel, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

Advisor to the Florida Public Service Commission.

KEITH C. HETRICK, ESQUIRE, General Counsel, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850 Florida Public Service Commission General Counsel.

BY THE COMMISSION:

#### BACKGROUND

The Energy Conservation Cost Recovery Clause allows public utilities to seek recovery of costs for energy conservation programs on an annual basis, pursuant to Sections 366.80-366.83, Florida Statutes (F.S.), and Chapter 25-17, Florida Administrative Code (F.A.C.). As part of the Florida Public Service Commission's continuing energy conservation cost recovery proceedings, an administrative hearing in this docket was held on November 3, 2020. Florida Power & Light Company (FPL), Gulf Power Company (GULF), Duke Energy Florida, LLC (DEF), Florida Public Utilities Company (FPUC), and Tampa Electric Company (TECO), submitted testimony and exhibits in support of their proposed final and estimated true-up amounts, total conservation cost recovery amounts, and conservation cost recovery factors.

Prior to the hearing, the utilities reached agreements concerning all issues identified for resolution at the hearing, with the intervenors, the Office of Public Counsel (OPC), Florida

Industrial Power Users Group (FIPUG), and White Springs Agricultural Chemicals, Inc. d/b/a PCS Phosphate – White Springs (PCS Phosphate), taking no position. We have jurisdiction over the subject matter by the provisions of Chapter 366, F.S., including Sections 366.04, 366.05, and 366.06, F.S.

### DECISION

We accept and approve the Type 2 stipulations<sup>1</sup> as reasonable and find they are supported by competent, substantial evidence of record, as set forth below.

FPL, Gulf, DEF, FPUC, TECO, and Commission staff support the Type 2 stipulations. OPC's position on each Type 2 stipulation is as follows:

OPC takes no position on these issues nor does it have the burden of proof related to them. As such, the OPC represents that it will not contest or oppose the Commission taking action approving a proposed stipulation between the Company and another party or staff as a final resolution of the issue. No person is authorized to state that the OPC is a participant in, or party to, a stipulation on these issues, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG and PCS Phosphate have adopted the position of OPC on each Type 2 stipulation.

### Conservation Cost Recovery True-Up

We find that the appropriate final conservation cost recovery adjustment true-up amounts for the period January 2019 through December 2019 are as follows:

Duke Energy Florida	\$762,858	Under-recovery
Florida Power & Light Company	\$2,036,766	Over-recovery
Florida Public Utilities Company	\$115,200	Under-recovery
Gulf Power Company	\$981,017	Over-recovery
Tampa Electric Company	\$8,189,031	Over-recovery

We find that the appropriate conservation adjustment actual/estimated true-up amounts for the period January 2020 through December 2020 are as follows:

Duke Energy Florida	\$725,880	Under-recovery
Florida Power & Light Company	\$2,239,751	Over-recovery
Florida Public Utilities Company	\$109,241	Under-recovery

<sup>&</sup>lt;sup>1</sup> A Type 2 stipulation occurs on an issue when the utility and the staff, or the utility and at least one party adversarial to the utility, agree on the resolution of the issue and the remaining parties (including staff if they do not join in the agreement) do not object to the Commission relying on the agreed language to resolve that issue in a final order.

Gulf Power Company	\$910,075	Over-recovery
Tampa Electric Company	\$9,103,069	Over-recovery

We find that the appropriate total conservation adjustment true-up amounts to be collected/refunded from January 2020 through December 2020 are as follows:

Duke Energy Florida	\$1,488,738	Under-recovery
Florida Power & Light Company	\$4,276,518	Over-recovery
Florida Public Utilities Company	\$224,441	Under-recovery
Gulf Power Company	\$1,891,091	Over-recovery
Tampa Electric Company	\$17,292,100	Over-recovery

## Total Conservation Cost Recovery

We find that the total conservation cost recovery amounts to be collected during the period January 2021 through December 2021 are as follows:

Duke Energy Florida	\$120,561,022
Florida Power & Light Company	\$158,665,512
Florida Public Utilities Company	\$959,441
Gulf Power Company	\$9,269,790
Tampa Electric Company	\$29,497,711

# Conservation Cost Recovery Factors

We find that the appropriate conservation cost recovery factors for the period January 2021 through December 2021 are as follows:

DEF:	Customer Class	ECCR Factor
	Residential	0.338 cents/kWh
	General Service Non-Demand	0.326 cents/kWh
	(a) Primary Voltage	0.323 cents/kWh
	$\overset{\smile}{(a)}$ Transmission Voltage	0.319 cents/kWh
	General Service 100% Load Factor	0.223 cents/kWh
	General Service Demand	1.08 \$/kW
	@ Primary Voltage	1.07 \$/kW
	@ Transmission Voltage	1.06 \$/kW
	Curtailable	0.35 \$/kW
	@ Primary Voltage	0.35 \$/kW
	@ Transmission Voltage	0.34 \$/kW
	Interruptible	0.94 \$/kW
	@ Primary Voltage	0.93 \$/kW
	@ Transmission Voltage	0.92 \$/kW
	Standby Monthly	0.104 \$/kW
	@ Primary Voltage	0.103 \$/kW
	@ Transmission Voltage	0.102 \$/kW
	Standby Daily	0.050 \$/kW
	@ Primary Voltage	0.050 \$/kW
	@ Transmission Voltage	0.049 \$/kW
	Lighting	0.098 cents/kWh

# FPL:

RATE CLASS	Conservation Recovery Factor (\$/kw)	Conservation Recovery Factor (\$/kwh)	RDC (\$/KW)	SDD (\$/KW)
RS1/RTR1	-	0.00149	-	-
GS1/GST1	-	0.00150	-	-
GSD1/GSDT1/HLFT1	0.51	-	-	-
OS2	-	0.00082	-	-
GSLD1/GSLDT1/CS1/ CST1/HLFT2	0.57	-	-	-
GSLD2/GSLDT2/CS2/ CST2/HLFT3	0.57	-	-	-
GSLD3/GSLDT3/ CS3/CST3	0.59	-	-	-
SST1T	-	-	\$0.07	\$0.03
SST1D1/SST1D2/ SST1D3	-	-	\$0.07	\$0.03
CILC D/CILC G	0.61	-	-	-
CILC T	0.60	-	-	-
MET	0.51	-	-	-
OL1/SL1/SL1M/PL1	-	0.00042	-	-
SL2/SL2M/GSCU1	-	0.00110	-	-

**FPUC:** \$.00150 per KWH (consolidated levelized conservation cost recovery factor).

# **GULF:**

RATE CLASS	Conservation Cost Recovery Factors
RS	0.090 cents/kWh
RSVP Tier 1	(2.700) cents/kWh
RSVP Tier 2	(0.830) cents/kWh
RSVP Tier 3	6.757 cents/kWh
RSVP Tier 4	51.020 cents/kWh
GS	0.091 cents/kWh
GSD, GSDT GSTOU	0.085 cents/kWh
LP, LPT	0.081 cents/kWh
PX, PXT, RTP, SBS	0.079 cents/kWh
OSI, OSII	0.065 cents/kWh
OSIII	0.079 cents/kWh
CL Credit	(\$5.57) per kW

# **TECO:**

Rate Schedule	Cost Recovery Factors <u>(cents per kWh)</u>
RS	0.166
GS and CS	0.161
GSD Optional – Secondary	0.138
GSD Optional – Primary	0.137
GSD Optional – Subtransmission	0.135
LS-1	0.081
Rate Schedule	Cost Recovery Factors (dollars per kW)
GSD – Secondary	0.60
GSD – Primary	0.59
GSD – Subtransmission	0.58
SBF – Secondary	0.60
SBF – Primary	0.59
SBF – Subtransmission	0.58
IS - Primary	0.47
IS - Subtransmission	0.47

### Conservation Cost Recovery Effective Date for 2021 Billing Cycle

We find that the factors shall be effective beginning with the specified conservation cost recovery cycle and thereafter for the period January 2021 through December 2021. Billing cycles may start before January 1, 2021 and the last cycle may be read after December 31, 2021, so that each customer is billed for twelve months regardless of when the adjustment factor became effective. These charges shall continue in effect until modified by subsequent order of this Commission.

## Revised Tariffs Reflecting the Energy Conservation Cost Recovery Amounts and Establishing Energy Conservation Cost Recovery Factors

We find that the revised tariffs reflecting the energy conservation cost recovery amounts and establishing energy conservation cost recovery factors determined to be appropriate in this

proceeding shall be approved. We direct our staff to verify that the revised tariffs are consistent with our decision.

#### Company-Specific Conservation Cost Recovery Issues

## TECO:

We find that, in accordance with Order No. PSC-2017-0456-FOF-EI, issued November 27, 2017 in Docket No. 20170210, the Contracted Credit Value by Voltage Level for the forthcoming cost recovery period, January 2021 through December 2021, for the GSLM-2 and GSLM-3 rate riders will be:

Voltage Level	Contracted Credit Value (dollars per kW)
Secondary	10.23
Primary	10.13
Subtransmission	10.03

We further find that for the period January 2021 through December 2021 the Residential Price Responsive Load Management (RSVP-1) rates are as follows:

<u>Rate Tie</u> r	<u>Cents per kWh</u>
P44	43.914
P3	7.564
P2	-0.882
P1	-3.026

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the stipulations and findings herein are hereby approved. It is further

ORDERED that each investor-owned utility that was a party to this docket shall abide by the stipulations and findings herein which are applicable to it. It is further

ORDERED that the utilities named herein are authorized to collect the energy conservation cost recovery amounts and utilize the factors approved herein for the period beginning with the specified conservation cost recovery cycle and thereafter for the period

January 2021 through December 2021. Billing cycles may start before January 1, 2021 and the last cycle may be read after December 31, 2021, so that each customer is billed for twelve months regardless of when the adjustment factor became effective. These charges shall continue in effect until modified by subsequent order of this Commission. It is further

ORDERED that the revised tariffs reflecting the energy conservation cost recovery amounts and establishing energy conservation cost recovery factors determined to be appropriate in this proceeding are approved. Commission staff shall verify that the revised tariffs are consistent with our decision herein. It is further

ORDERED that while a separate docket number is assigned each year for administrative convenience, the Energy Conservation Cost Recovery Clause is a continuing docket and shall remain open.

By ORDER of the Florida Public Service Commission this 19th day of November, 2020.

ADAM J. TEITZMAN Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399 (850) 413-6770 www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

AJW

#### NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Office of Commission Clerk, and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.